

FINANCIAL SERVICES

Financial Services provides instruction in finance and business fundamentals as they relate to financial institutions, financial planning, business and personal financial services, investment and securities, risk management, and corporate finance. Students are provided opportunities to develop attitudes and apply skills and knowledge in the area of finance.

- DOE Code: 5258
- Recommended Grade Level: Grade 12
- Recommended Prerequisites: Accounting or Principles of Business Management
- Credits: 1-3 credits per semester, maximum of 6 credits
- Counts as a Directed Elective or Elective for the General, Core 40, Core 40 with Academic Honors and Core 40 with Technical Honors diplomas
- This course is aligned with postsecondary courses for Dual Credit:
 - Ivy Tech
 - ACCT 101 Financial Accounting (Students must take both Accounting and Financial Services, for a total of 4 semesters, to be eligible for this dual credit.)
 - or
 - ACCT 118 – Financial Concepts

Dual Credit

This course provides the opportunity for dual credit for students who meet postsecondary requirements for earning dual credit and successfully complete the dual credit requirements of this course.

Application of Content and Multiple Hour Offerings

Intensive laboratory applications are a component of this course and may be either school based or work based or a combination of the two. Work-based learning experiences should be in a closely related industry setting. Instructors shall have a standards-based training plan for students participating in work-based learning experiences. When a course is offered for multiple hours per semester, the amount of laboratory application or work-based learning needs to be increased proportionally.

Career and Technical Student Organizations (CTSOs)

Career and Technical Student Organizations are considered a powerful instructional tool when integrated into Career and Technical Education programs. They enhance the knowledge and skills students learn in a course by allowing a student to participate in a unique program of career and leadership development. Students should be encouraged to participate in Business Professional of America, DECA, or Future Business Leaders of America, the CTSOs for this area.

Content Standards

Domain – Fundamentals of Finance

Core Standard 1 Students analyze the components of finance for personal or business use in a global economy.

Standards

- FS-1.1 Discuss historical, current, and future financial trends
- FS-1.2 Discuss significance of finance for individuals, businesses, and governments
- FS-1.3 Discuss ethical standards for financial management

Domain – Banking and Other Financial Institutions

Core Standard 2 Students evaluate the history, future and roles of the banking industry in local, national and global economies.

Standards

- FS-2.1 Investigate historical development of banking industry in the United States
- FS-2.2 Describe the role of regulatory organizations, such as but not limited too the Federal Reserve System, Federal Depository Insurance Corporation (FDIC), and Office of Controller of Currency (OCC)
- FS-2.3 Analyze banking legislation that affects the operation of business firms
- FS-2.4 Evaluate the impact of electronic banking on the industry
- FS-2.5 Describe common services offered by banks and other financial institutions for consumers and businesses
- FS-2.6 Analyze the competitive environment of the banking industry
- FS-2.7 Evaluate how financial institutions affect personal and corporate financial planning

Core Standard 3 Students apply and adapt learned concepts to international banking.

Standards

- FS-3.1 Explain how international monetary exchanges work
- FS-3.2 Assess the value of a country's currency on imports and exports and international travel
- FS-3.3 Explain the role of international banks in the global economy
- FS-3.4 Identify agencies that assist companies in reducing global financial risk

Domain – Investments and Securities

Core Standard 4 Students evaluate concepts of the securities industry.

Standards

- FS-4.1 Describe the history and purpose of securities and securities markets
- FS-4.2 Differentiate among stocks, bonds, and other securities
- FS-4.3 Explain the role of initial public offerings (IPOs) in raising capital for corporations
- FS-4.4 Review the use and impact of technology in the brokerage industry
- FS-4.5 Describe the role of regulatory organizations, such as but not limited to Securities and Exchange Commission, and their impact on business financing

Core Standard 5 Students outline the impact of securities markets on individuals, business and the economy.

Standards

- FS-5.1 Explain the role of stock exchanges and brokers in securities transactions
- FS-5.2 Evaluate the risks and rewards of trading
- FS-5.3 Analyze mutual funds, stocks and bonds as an investment opportunity
- FS-5.4 Appraise the investment needs of clients, both consumers and businesses

Core Standard 6 Students assess sources of securities information in order to make informed investment decisions.

Standards

- FS-6.1 Critique informational sources for buying/selling decisions

- FS-6.2 Identify the components and purposes of a bond table, stock table and mutual fund
- FS-6.3 Identify the components and purposes of quote found on a bond table, stock table and mutual fund
- FS-6.4 Evaluate a business plan from an investor's standpoint as an investment option

Core Standard 7 Students analyze the concepts of financial management planning.

Standards

- FS-7.1 Compute the effect of the time value of money
- FS-7.2 Critique factors to consider when deciding on the form of dividend distribution
- FS-7.3 Compare and contrast the advantages and disadvantages of a cash dividend and a stock split
- FS-7.4 Generate motives for a company to repurchase stock
- FS-7.5 Evaluate a company portfolio for diversification
- FS-7.6 Examine benefits and costs of investments
- FS-7.7 Investigate employee retirement plans
- FS-7.8 Analyze the role of stockholders within a corporate structure
- FS-7.9 Evaluate the components of corporate governance
- FS-7.10 Identify the standard components of an annual report

Domain – Risk Management

Core Standard 8 Students synthesize risk management as a method of financial planning.

Standards

- FS-8.1 Evaluate the concepts of risk management
- FS-8.2 Analyze the elements of the insurance industry
- FS-8.3 Examine the process of underwriting an insurance policy
- FS-8.4 Assess liability insurance for individuals and business
- FS-8.5 Evaluate automobile insurance
- FS-8.6 Evaluate personal and commercial property insurance
- FS-8.7 Analyze components of health and long-term care insurance
- FS-8.8 Analyze government supported health insurance programs
- FS-8.9 Assess government supported employment insurance programs
- FS-8.10 Differentiate among components of life insurance

Domain - Financial Planning

Core Standard 9 Students apply and analyze client financial planning basics.

Standards

- FS-9.1 Explain the components of a financial plan
- FS-9.2 Examine and assess strategies for effective debt management by individuals and corporations through either short-term or long-term financing options
- FS-9.3 Identify steps to be used by financial planners for developing a personal budget
- FS-9.4 Explain qualifications needed by an individual or business firm to obtain credit
- FS-9.5 Compare and contrast terms and conditions of various sources of credit
- FS-9.6 Assess and recommend credit options available for financial plans

- FS-9.7 Evaluate the implications of bankruptcy for consumers and for businesses
- FS-9.8 Analyze the impact of economic conditions on financial plans
- FS-9.9 Identify tax planning strategies that may be recommended by financial planners
- FS-9.10 Develop, analyze and update a financial plan for an individual and/or company

Core Standard 10 Students investigate tools for long-term financial and estate planning.

Standards

- FS-10.1 Distinguish among trust services provided for individuals and corporations
- FS-10.2 Compare and contrast investment options for a monetary inheritance
- FS-10.3 Evaluate types and purposes of estate planning tools
- FS-10.4 Define and analyze tax planning strategies for long-term financial assets
- FS-10.5 Describe the impact of gift tax on a person's income

Domain – Topics in Accounting

Core Standard 11 Students use Generally Accepted Accounting Principles (GAAP) to determine the value of assets, liabilities, stockholder's equity, revenues, and expenses and use managerial accounting concepts.

Standards

- FS-11.1 Demonstrate both manual and computerized accounting systems
- FS-11.2 Execute the closing process by journalizing and posting the closing entries and preparing the post-closing trial balance
- FS-11.3 Create, evaluate and analyze financial statements and describe the way each interrelates with the others
- FS-11.4 Identify and report reversing entries
- FS-11.5 Define intangible assets and account for their acquisition, amortization, and disposal
- FS-11.6 Define and identify short-term and long-term investments and the accounting concepts related to them
- FS-11.7 Compare and contrast the cost basis and fair market value of assets
- FS-11.8 Explain the effect of changes in foreign exchange rates on the value of liabilities
- FS-11.9 Define contingent liabilities
- FS-11.10 Use straight-line and effective interest amortization methods to compute for bond premiums and discounts
- FS-11.11 Create, interpret, and analyze end-of-fiscal-period activities and financial statements for corporations
- FS-11.12 Discuss the importance of integrity, confidentiality, and high ethical standards in the preparation of financial statements
- FS-11.13 Produce horizontal and vertical analyses and compute appropriate ratios to evaluate solvency and earning power
- FS-11.14 Discuss and analyze the inherent limitations of the historical cost accounting model when interpreting financial statements prepared during periods of changing prices
- FS-11.15 Apply appropriate accounting principles to various forms of ownership, payroll, income taxation, international accounting, and managerial accounting systems
- FS-11.16 Explain the role of managerial accounting in the management process

- FS-11.17 Interpret and explain the costs and accounts that are unique to the manufacturing process
- FS-11.18 Discuss the cost flow concepts followed by a manufacturing business
- FS-11.19 Apply job order costing procedures to compute the cost of manufactured products
- FS-11.20 Prepare a schedule of cost of goods manufactured and explain its relationship to the income statement
- FS-11.21 Describe the types of products and apply appropriate accounting concepts and procedures for job order and process costing systems

Core Standard 12 Students use management accounting techniques to plan and evaluate the performance of an organization.

Standards

- FS-12.1 Compare and contrast fixed, variable, and mixed costs
- FS-12.2 Use cost-volume-profit and contribution margin analysis to plan operations
- FS-12.3 Analyze a budget for planning purposes
- FS-12.4 Discuss auditing procedures for different types of business
- FS-12.5 Analyze company performance by applying standard costing and variance analysis
- FS-12.6 Apply present value concepts to evaluate capital investment opportunities

Domain Career Exploration

Core Standard 13 Students perform independent studies as a means to explore various careers in accounting/financial pathways and learn about the educational and experience requirements of each.

Standards

- FS-13.1 Research the employment opportunities in the financial services sector
- FS-13.2 Investigate and understand the state and national educational and licensing requirements for careers in the business and finance professions